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NSC BRIEFING

14 September 1960

BERLIN

- I. Because of his desire to focus world attention on Berlin prior to

 UN, Khrushchev is permitting East Germans undertake a new campaign to

 raise tensions on Berlin; East German regime on 8 September imposed

 permanent restrictions on travel of West Germans to East Berlin.
 - A. Move violates Four-Power agreements on freedom of movement within city, but has not affected movement of those who work in one sector of city and live in another.
 - 1. Is step toward incorporating East Berlin into East Germany by making own laws directly applicable to East Berlin, in effect giving city sector border the legal character of an East German frontier.
 - 2. East German regime's statement of 13 September that it will refuse to recognize West German passports issued to West Berliners intending to travel to Bloc countries is designed to emphasize point that West Berlin is not a part of West Germany, but will apparently not affect movement between West Berlin and West Germany.
 - B. Ulbricht regime wishes demonstrate "sovereignty" and show its right and ability to impose arbitrary controls on movement within city.
 - C. Another important motivation is East German government's deep concern over rising refugee flow to West Berlin.
 - 1. 8,578 East Germans fled to West Berlin in two weeks 16-30

 August (third and fourth highest weekly totals since 1955.)

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- II. East Germans may also attempt introduce restrictions on travel of West Germans to West Berlin.
 - A. East German officials have stated Four-Power agreements on free access to Berlin null and void and GDR not bound by agreements of USSR.
 - B. They have warned Bonn not to retaliate against restrictions on travel, saying this would only hasten measures making West Berlin "free city."
- III. Ulbricht has made himself chief of East German state and is seeking invitation to UNGA in order to present disarmament plan, including withdrawal of Allied troops from Berlin.
- IV. East Berlin moves have Khrushchev's backing.
 - A. They do not appear to mark change in his commitment maintain status quo in Berlin until attempt made at new round of negotiations.
 - B. Ulbricht warned, however, that West Germans and West Berliners will not be permitted "aggravate anomalous situation in West Berlin."
 - C. Moscow may consider threats and harassment useful to focus attention on Berlin problem and maintain pressure on West to negotiate.
 - D. By concentrating on West Germans rather than Allies, Communists probably consider themselves on safer ground and that their actions less likely provoke strong reaction.
 - E. Soviet Berlin Commandant Zakharov's reply on 13 September to the Western commanders' protest against East German travel restrictions supported the East German position and warned the Western Powers that they must bear full responsibility for the consequences of misuse of the air corridors which were provided to meet the requirements of the Western garrisons in the city.

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- V. Bonn is concerned that too strong counter measures will provoke increased East German harassments and a more serious crisis, and Adenauer has told his cabinet to avoid any "rash moves," and wants Willy Brandt to stop demanding Western reprisals.
 - A. Prior to Adenauer's statement Vice Chancellor Erhard had called on West German businessmen not to subject themselves to the new entry procedure and to avoid travel to GDR as long as restrictions continue
 - B. American Ambassador Dowling in Bonn does not believe Allied plan to refuse travel permits to East Germans is likely to have much effect on Pankow.

VII. Trade figures:

- A. West German shipments to East Germany have amounted to less than 2 percent of the Federal Republic's total exports during the last three years, reaching peak value in 1959 of \$256,800,000, of which around \$50,000,000 consisted of iron and steel products.
- B. For East Germany, however, this represents over 10 percent of imports. More important, the commodities involved are of critical importance to the East German economy, notably high grade steel and chemical machinery.
 - 1. A cut-off of this trade--if wholeheartedly supported by NATO--could seriously disrupt East German industry.
 - 2. In addition, halting of East German freight transitting West Germany would require circuitous and costly rerouting.
- VIII. There is one other matter which may be associated with long-run Communist intentions concerning Berlin.

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- A. We have a growing body of evidence which suggests that by sometime in early 1961 Berlin may be ringed with a complex of Soviet surface-to-air missile sites.
- B. At present it appears that the ring may eventually contain at least eight launch sites, each having local support facilities.
- C. Our evidence also points to preparations for the eventual participation of East Germans in this activity.